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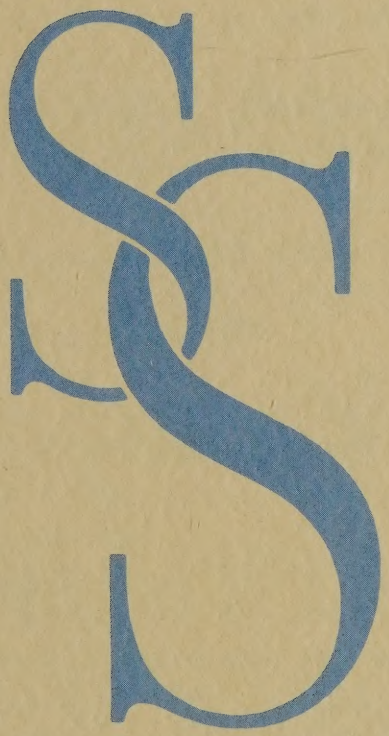
TWENTY-SEVENTH ANNUAL REPORT 1974



SILVER STANDARD MINES LIMITED

(Non-Personal Liability)

DIRECTORS

DONALD M. CLARK, Q.C. ..... Vancouver, B.C.

HARRY B. GILLELAND ..... Vancouver, B.C.

ROBERT E. HALLBAUER ..... Vancouver, B.C.

*NORMAN B. KEEVIL, Jr., P.Eng. ..... Vancouver, B.C.

*ALEX C. RITCHIE, P.Eng. ..... Vancouver, B.C.

*E. CECIL ROPER, P.Eng. ..... Vancouver, B.C.

*JOHN E. SMART ..... Vancouver, B.C.

JOHN W. STEWART, P.Eng. ..... Vancouver, B.C.

LEONARD G. WHITE, P.Eng. ..... Vancouver, B.C.

KEITH A. WILSON ..... Vancouver, B.C.

*RIDGEWAY W. WILSON, P.Eng. ..... Vancouver, B.C.

OFFICERS

Chairman of the Board
and Chairman of the
Executive Committee ..... RIDGEWAY W. WILSON, P.Eng.

President ..... ALEX C. RITCHIE, P.Eng.

Vice-President ..... DONALD M. CLARK, Q.C.

Secretary-Treasurer ..... ROBERT H. RAYNER

Transfer Agents and Registrars

The Canada Trust Company,
901 West Pender Street, ... Vancouver, B.C.

110 Yonge Street, ... Toronto, Ont.

Head Office

808-602 West Hastings Street, ... Vancouver, B.C.

Auditors

Campbell, Sharp, Nash & Field ..... Vancouver, B.C.

*Members of the Executive Committee

Annual Meeting

The Annual General Meeting of the Shareholders of Silver Standard Mines Limited (Non-Personal Liability) will be held on Wednesday June 26, 1974, in the Queen Anne Room, Hotel Georgia, Vancouver B.C., at 11:00 o'clock in the forenoon (Vancouver Time).

SILVER STANDARD MINES LIMITED

(Non-Personal Liability)

HIGHLIGHTS

* *A stepped-up drill program is underway at the Minto Copper property. It is intended to put the new Yukon discovery in production at an early date.*

* *Drilling will resume at the Schaft Creek property of Liard Copper Mines. Hecla Operating Company will have a modest diamond drill program this year.*

* *Exploration drilling will continue at the Red Group, a potential large-tonnage copper occurrence located in Northwestern B.C.*

* *A major mining company will assess the Fall Group, a promising molybdenite occurrence near Pemberton, B.C.*

* *A widespread area of gold mineralization in the Queen Charlotte Islands will be tested by drilling.*

REPORT TO SHAREHOLDERS:

Publication of the 27th Annual Report occurs at a time when everything is going well for Silver Standard, notwithstanding seemingly unending disincentives being imposed upon the industry at both the provincial and federal levels. Last year was particularly eventful. The forthcoming year likewise will produce interesting results, as work continues at Minto Copper and on promising new ventures. It is intended to put the Minto property in production at the earliest possible date and we expect it will generate substantial revenues for your company.

During the year, the company was fortunate in obtaining two successful underwritings of its treasury shares. A total of $911,250 was placed in the treasury, and at March 31, 1974 working capital was $728,307, an increase of $653,165 over that reported at the previous year end. At the time of writing, and as a consequence of the more recent underwriting, two options totalling $1,100,000 are outstanding.

Teck Corporation has completed the expenditures on Silver Standard properties pursuant to the financing agreement entered in 1969. As a consequence, Teck holds 1,306,666 shares, approximately 19% of the outstanding shares of Silver Standard Mines. Teck has an option, exercisable to December 31, 1977, on a further 1,680,000 shares.

A decision recently has been handed down in the latest of a long series of actions against Granby Mining Co. as a result of the sale of the Queen Charlotte iron property in 1961. A suit heard last fall in the Supreme Court of B.C. asked for the balance of principal together with accrued interest. Silver Standard has been awarded interest but denied the principal sum, and an appeal is under consideration.

Discovery in the Yukon Territory last year of the fine new orebody at Minto Copper was a timely piece of good fortune, as recent legislation imposed upon the mining industry has made operations within B.C. unattractive. It has become disheartening to finance the exploration and development of mineral properties within the boundaries of our own province. The prospect of obtaining senior financing for a B.C.-based mining project is remote.

Because it is located in the Yukon, Minto Copper is not affected by the problems attributable to our B.C. government. It will be a profitable mining venture, and all concerned have expressed the desire to put it in production at the earliest possible date. The terms of the exploration agreement between Silver Standard and American Smelting & Refining Company are such that the company's share of capital expenditures is provided for.

The Schaft Creek deposit of Liard Copper Mines is known to contain at least 300 million tons of good open pit ore. Very little additional work is required prior to commissioning a final feasibility study. However, the attitude of our provincial government now is having a discouraging adverse effect on the rate at which development is proceeding. Last season, Hecla Operating Company opted for a limited program of mapping and geophysical surveys on outlying areas of the property. In the coming year Hecla will have a modest drill program designed to provide additional information in certain sections of the Main Ore Zone.

Major mining companies will continue to explore other Silver Standard mineral properties that may prove to be important. In the Stikine River area, Texasgulf did some percussion drilling on our Red Group last year. A diamond drill will be employed this year in further testing a large area of copper mineralization. Percussion drilling has been resumed on a unitized group of claims located in Northern Washington State in which Silver Standard has a minority interest. Also, management is confident an agreement will be reached whereby a molybdenum occurrence near Pemberton, the Fall Group, will be tested this year.

The improved price currently obtained for gold has encouraged your company to re-examine its gold holdings and to seek new properties of merit. At Table Mountain Mines exceptional gold values were obtained in a decline put down under one of the surface oreshoots. However, only sparse values were encountered when a short vein section was tested by drifting at a lower level. The work is financed by Asamera Oil Company. A new private company controlled by Silver Standard, Lord River Gold Mines, resampled one of the oreshoots at the Pellaire Mine, north of the Bridge River gold camp. The sampling produced some spectacular gold and silver assays and confirmed results reported by the former operator. An underground program will go ahead when the climate for raising exploration monies has improved. Silver Standard has acquired an option on a Queen Charlotte Island property where gold values occur over a wide area. A major mining company will drill the property this year.

In the coming year, Silver Standard will maintain its properties in good standing, but under existing conditions new programs within B.C. can not be justified. The company will have grass roots ventures in the Yukon Territory. Certain favorable districts in the Western United States will be investigated for precious metals.

The absolute necessity of sustaining an aggressive exploration policy in addition to current mining and development programs was demonstrated to management at an early date, a concept that may filter through to Victoria before there is a total drying up of venture capital, an end to mineral discoveries, and there are no new mines to replace those that inevitably will be exhausted. Based upon previous experience, Silver Standard's continuing exploration programs have a good chance of producing further mineral properties of importance.

At the end of March this year, R.W. Wilson assumed the office of Chairman of the Board and the writer became President of the Company. "Bob" Wilson founded Silver Standard Mines in 1946 and, not without much difficulty, raised the monies required to bring into production the original Silver Standard mine at Hazelton, B.C. The small high grade mine was very successful, but closed in 1958 when ore was exhausted. From that time to the present date, Bob Wilson has been called upon repeatedly to arrange new funds sufficient to support Silver Standard's wide-ranging activities. It is fitting that Bob assumes his new office when many worthy projects are maturing and the company can look forward to receiving a cash flow from operations in the near future.

Silver Standard enjoys a high ratio of success when significant new mineral discoveries are related to exploration dollars expended. This happy circumstance is attributed to an innovative and capable staff whose efforts are appreciated greatly.

On behalf of the Board of Directors,

A.C. RITCHIE
President

May 31, 1974

MINTO COPPER

Following discovery last summer of high grade mineralization straddling the common boundary with the Falconbridge group of companies, it took only a short time to delineate an important new copper orebody. The orebody was drilled off on 100-foot centres, and as the season closed exploration grid drilling was being advanced to the south and east. Last year, 26,000 feet were drilled in 64 holes, and the total to date is 36,000 feet in 81 holes.

After completing the drill program at Minto late last fall, much useful work was accomplished. An access road was constructed from the Klondike Highway at Carmacks and this road now will be up-graded during the coming summer months. Metallurgical tests confirmed that a simple flotation flowsheet will produce a premium grade concentrate with excellent metal recoveries. Whereas last year published ore reserves were stated as 3.5 million tons grading 2.12% copper, a preliminary pit lay-out indicates the tonnage should be expanded considerably at some sacrifice in grade, the result being substantially greater ultimate recovery of copper metal from the deposit.

In April of this year a new semi-permanent camp, two new unitized drill rigs, fuel and supplies were taken in over the new road. Drilling was resumed early in May, and has been proceeding at the rate of one hole every three days.

This year's drill program entails considerably greater footage than was drilled last season. A relatively small number of holes are required to define the southern limits of the known orebody. In addition, other favorable areas within the claim group will be tested. In several instances these areas are adjacent to previous drill holes and trenches which produced long sections of good grade copper. Finally, an area east of the present orebody will be grid-drilled to confirm its suitability for a waste disposal site. It is fair to conclude that the ore reserve at Minto Copper may be expanded as a result of drilling during the up-coming season.

Photos of Minto property by Roy McMichael

Drill set-up at Minto Copper.

Drill mast is lowered into place on a Minto drill site.

Minto orebody lies amidst gently rolling hills south of the Yukon River.

This year, core storage at Minto will be expanded considerably.

Big Nodwell all-terrain vehicle-left contrasts with a small tracked carrier above

EXPLORATION

Prior to last year's exploration season policies were adopted at the federal level which had the effect of discouraging risk capital, and regulations brought down by the Provincial Government greatly increased the cost of holding mineral properties. As a result, Silver Standard's exploration activities, particularly within the province, were curtailed drastically. Two prospecting teams examined areas in Southwestern B.C. and a small-scale program was conducted in the Queen Charlotte Islands.

Now, with the threatened introduction of mineral royalties, in the space of a year things have gone from bad to unbelievable. Until such time as the people in Victoria have a change in attitude, Silver Standard cannot justify spending any of the shareholders' money on new exploration ventures in B.C.

Silver Standard's employees and shareholders alike are British Columbians and the company is truly a B.C. company. Our province is rich in minerals, the opportunity for new discoveries is still great, and a company such as Silver Standard never should have to look elsewhere. Indeed the company is in a position to capitalize on the considerable knowledge and experience accumulated in B.C. over the past 28 years. It is incredible now that ill-advised government policies have forced Silver Standard to conduct its mineral exploration in more favorable political environments.

During the coming year the company will do further grass roots work in the Yukon. The success achieved at Minto Copper suggests that similar geological settings should continue to be investigated for high grade sulphide bodies. Also in the Yukon, a new project will be directed towards discovery of lead-zinc occurrences.

Although not publicized to any extent in B.C., many mine-making opportunities exist throughout Western U.S.A. Silver Standard again will have an exploration crew working in the United States, with emphasis on those areas having histories of gold and silver production.

ulldozer operating high up on the Lord River Gold Mines claims.

Percussion drilling on the Red Group, Northwestern B.C.

Prospecting involves an easy trip by chopper –
or a lot of hard leg work.

Start of decline on Table Mountain gold vein,
Cassiar District.

Slashing an outcrop on the Fall Group exposed high grade
molybdenite.

One of two new steel core sheds –
View of Drill sites, Liard Copper Mines.

ASSETS

	1974	1973
CURRENT ASSETS:		
Cash	$ 40,539	$ 29,130
Short term deposits	775,000	25,000
Marketable securities		
Bonds		25,500
Accounts receivable	1,919	40,895
Interest receivable	6,531	730
Inventory — diamond drill bits — estimated net realizable value	1,326	1,326
Prepaid expenses	899	7,049
	826,214	129,630
OTHER ASSETS:		
Advances receivable — subsidiary companies (Note 3)	71,360	75,933
Deferred receivable — Queen Charlotte Iron Properties (Note 4)	241,660	201,433
	313,020	277,366
INVESTMENTS (Note 5)	771,524	753,486
CAPITAL ASSETS:		
Land, buildings and equipment, at depreciated value (Note 6)	22,208	23,551
Queen Charlotte Iron Properties, at cost less payments received (Note 7)	79,171	79,171
	101,379	102,722
EXPLORATION AND DEVELOPMENT, at cost less amounts written off (Note 8)	1,338,544	1,500,000
DEFERRED CHARGES:		
Organization expense	5,137	5,137
Outside exploration, at cost less amounts written off (Note 9)	1,173,741	1,352,717
	1,178,878	1,357,854
	$ 4,529,559	$ 4,121,058

Approved on behalf of the Board

R.W. Wilson Director
A.C. Ritchie Director

ATED BALANCE SHEET AS AT MARCH 31, 1974

LIABILITIES

	1974	1973
CURRENT LIABILITIES:		
Accounts payable	$ 97,907	$ 44,488
Directors fees — accrued		10,000
	97,907	54,488
DEFERRED INTEREST PAYABLE	8,600	6,483

SHAREHOLDERS' EQUITY

SHARE CAPITAL: (Notes 10 and 11)			
Authorized			
10,000,000 common shares of 50c each	$ 5,000,000		
Issued			
6,747,080 common shares of 50c each		3,373,540	2,822,290
CONTRIBUTED SURPLUS — per exhibit "B"		2,891,302	1,931,302
DEFICIT — per exhibit "A"		(1,841,790)	(693,505)
		4,423,052	4,060,087
		$ 4,529,559	$ 4,121,058

NOTE: The accompanying notes form an integral part of this and related statements.

CAMPBELL, SHARP, NASH & FIELD
CHARTERED ACCOUNTANTS
999 WEST PENDER STREET
VANCOUVER, B.C.

May 17, 1974.

To the Members,
Silver Standard Mines Limited
(non-personal liability),
Vancouver, B.C.

We have examined the consolidated balance sheet of Silver Standard Mines Limited (non-personal liability), as at March 31, 1974, and the consolidated deficit, operating and source and application of working capital statements for the year then ended and the related notes. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated statements present fairly the financial position of the companies as at March 31, 1974, and the results of their operations and the source and application of their working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for those changes described in Note 1 to the financial statements, with which changes we concur.

CAMPBELL, SHARP, NASH & FIELD
Chartered Accountants.

SILVER STANDARD MINES LIMITED (Non-Personal Liability)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at March 31, 1974

NOTE 1: ACCOUNTING POLICIES:

The consolidated financial statements include the accounts of the wholly owned subsidiary American Standard Explorations Inc. whose accounts have been translated from U.S. to Canadian dollars at par as no significant exchange difference would arise on translation at the current or appropriate historic rates. The accounts of American Standard Explorations Inc. were not consolidated in previous years, the parent company's investment therein having been carried at cost. The 1973 comparative figures have been restated to include the accounts of American Standard Explorations Inc.

Exploration and development expenditures are carried as assets until such time as the underlying mining claims are abandoned. General exploration expenditures of the parent company are written off in the year incurred and this policy has been adopted by American Standard Explorations Inc. in the current year. In previous years American Standard Explorations Inc. carried their general exploration and overhead expenditures as part of exploration and development and the current write off includes these prior years' costs amounting to $79,847.

The accounts of the other subsidiary companies (see Note 4) have not been consolidated since, apart from some exploration and development work on mining properties, the subsidiaries are non-operating and have no income. The investment in these subsidiaries is carried at cost. The underlying assets of the subsidiaries are primarily mining properties, mining equipment and accumulated exploration and development costs.

NOTE 2: SUBSIDIARIES NOT CONSOLIDATED:

None of the non-consolidated subsidiaries have earned profits or incurred losses since Silver Standard Mines Limited acquired shares in them and no income has been received from these subsidiaries during the financial year ended March 31, 1974.

NOTE 3: ADVANCES RECEIVABLE — SUBSIDIARY COMPANIES:

	1974	1973
Lord River Gold Mines Ltd. (N.P.L.)	$ 1,447	$ 1,165
Liard Copper Mines Ltd. (N.P.L.)	680	1,211
Table Mountain Mines Ltd. (N.P.L.)		17,708
Virginia Silver Mines Ltd. (N.P.L.)	36,837	35,864
Dorita Silver Mines Ltd. (N.P.L.)	28,719	18,299
Nickel Mountain Mines Ltd. (N.P.L.)	3,677	1,686
	$ 71,360	$ 75,933

NOTE 4:

A court action against Granby Mining Co. Ltd. and Jedway Iron Ore Ltd. claiming the principal amount of $670,454 together with accrued interest from April 1, 1968 to June 30, 1973 of $211,462 arising from the sale of the Queen Charlotte Iron property in 1961 was heard in November, 1973.

A decision was recently handed down in which Silver Standard was awarded the interest but denied the principal.

The balance of the Queen Charlotte Iron development costs amounting to $79,171, have not been written off as this decision may be appealed.

NOTE 5: INVESTMENTS:

	Common Shares	Percent Equity	Cost
(A) Subsidiary companies			
Lord River Gold Mines Ltd. (N.P.L.)	675,000	67.5	$ 3,115
Liard Copper Mines Ltd. (N.P.L.)	1,172,370	65.6	100,542
Virginia Silver Mines Ltd. (N.P.L.)	2,587,430	92.0	3,201
Dorita Silver Mines Ltd. (N.P.L.)	1,388,640	61.5	327,933
Nickel Mountain Mines Ltd. (N.P.L.)	1,058,538	72.5	119,756
			554,547

(B) Other	Common Shares	Percent Equity	Cost
Albeta Mines Ltd. (N.P.L.)	304,167	18.2	35,792
Carnegie Mining Corporation Ltd. (N.P.L.)	25,000		2,500
Central Nansen Mines Ltd. (N.P.L.) at nominal value	31,350		1
Climax Copper Mines Ltd. (N.P.L.)	80,750		8,075
Emrex Mining Ltd. (N.P.L.)	25,000		5,000
Grassy Lake Syndicate Units —	5	5.0)	
Northlake Mines Ltd. (N.P.L.)	91,500	5.6)	32,050
Ingenika Mines Ltd. (N.P.L.)	50,000		1,500
Moneta Porcupine Mines Ltd. (N.P.L.)	222,796		84,227
Table Mountain Mines Ltd. (N.P.L.)	48,576	48.6	47,832
			216,977
TOTAL INVESTMENTS			$ 771,524

Market values of investments are generally not significant as the shares are either not being actively traded or are held in escrow or are subject to only light trading due to the companies being inactive or in process of development. The 222,796 shares of Moneta Porcupine Mines Ltd. had a market value of $129,222 at March 31, 1974. During the year the company sold its interest in the Pellaire Group of claims to a subsidiary company (Lord River Gold Mines Ltd. (N.P.L.)) for 675,000 common shares of that company. The company also acquired 14,923 shares in Table Mountain Mines Ltd. (N.P.L.).

NOTE 6: LAND, BUILDINGS AND MINE EQUIPMENT:

	Cost	Accumulated Depreciation	Depreciated Value
Field office at Smithers, B.C. Land and building	$ 26,262	$ 21,386	$ 4,876
Office furniture and fixtures	14,680	9,903	4,777
Mine equipment (including vehicles)	281,514	268,959	12,555
	$ 322,456	$ 300,248	$ 22,208

NOTE 7: QUEEN CHARLOTTE IRON PROPERTIES:

Development costs	$ 407,921
Deduct: payments received	328,750
BALANCE — outstanding	$ 79,171

NOTE 8: EXPLORATION AND DEVELOPMENT:

The amended option agreement with Teck Corporation Limited provided for total expenditures on company properties of up to $2,100,000. During the year ended March 31, 1974, Teck Corporation Limited expended $390,096 thus completing its commitment under the agreement.

The company has also fulfilled its obligation in respect of these expenditures by completing the following share issues to Teck Corporation Limited:

	Common Shares	Price/Share	Amount
1970	200,000	$ 2.50	$ 500,000
1971	333,333	1.50	500,000
1972	333,333	1.50	500,000
1973	200,000	1.50	300,000
1974	240,000	1.25	300,000
	1,306,666		$ 2,100,000

In the accounts of the company the total expenditures, less amounts written off on properties abandoned, are carried forward as assets, the details being as follows:

	Cost	Written off	Written Down Value
Balance at beginning of year	$ 1,500,000	$	$ 1,500,000
Shares issued during the year for expenditures	600,000		600,000
Amounts written off during the year		761,456	(761,456)
Balance at end of year	$ 2,100,000	$ 761,456	$ 1,338,544

Under the terms of the agreement with Teck Corporation Limited, that company is entitled to claim these expenditures for income tax purposes.

NOTE 9: OUTSIDE EXPLORATION:

	Cost	Written Off	Written Down Value
Balances at beginning of year	$ 2,237,836	$ 885,119	$ 1,352,717
Expenditures during the year	106,703		106,703
Written off during the year		282,564	(282,564)
Transferred to investment in Lord River Gold Mines Ltd. (N.P.L.)	(3,115)		(3,115)
Balances at end of year	$ 2,341,424	$ 1,167,683	$ 1,173,741

The company expects to recover $33,000 of these costs from Silmonac Mines Limited for the preliminary development work on its property.

NOTE 10: ISSUED SHARE CAPITAL:

	Common Shares	At Par Value	Premium	Total
Balance — March 31, 1973	5,644,580	$ 2,822,290	$ 1,931,302	$ 4,753,592
Add: Shares issued under terms of Teck Agreement (see Notes 8 & 11)	440,000	220,000	380,000	600,000
Shares issued for cash Underwriting agreements	600,000	300,000	575,000	875,000
Employee options	62,500	31,250	5,000	36,250
Balance — March 31, 1974	6,747,080	$3,373,540	$ 2,891,302	$ 6,264,842

NOTE 11: STOCK OPTIONS:

(A) Teck Corporation Limited

In consideration of the expenditures referred to in Note 8, Teck Corporation Limited has an option on a further 1,680,000 shares, the purchase price being based on the average market price during the 90 days prior to purchase, less allowable discount, but not to be less than $1.50 per share exercisable up to December 31, 1977.

(B) Underwriting Agreement

Under the terms of an underwriting agreement dated February 20, 1974, and amended May 17, 1974, there are two outstanding options to Pemberton Securities Ltd. to purchase 400,000 shares in the company. The first option is for 200,000 shares at a price of $2.50 per share exercisable not later than July 22, 1974, and the second option, which is dependent on the full exercise of the first option, is for 200,000 shares at a price of $3.00 per share exercisable not later than October 20, 1974. It is a condition of the agreement that where, prior to the respective expiration dates, shares have been sold on the Vancouver Stock Exchange at a price in excess of $3.75 in the case of the first option and $4.20 in the case of the second option, then the respective options shall forthwith be exercised in full.

(C) Company Employees

There were outstanding options to certain officers and employees to purchase 125,000 shares as at March 31, 1974. The options are exercisable in equal amounts over a two year period at prices of 68 cents and 78 cents per share, during the period August 1, 1974 to July 31, 1976.

NOTE 12: REMUNERATIONS OF DIRECTORS AND SENIOR OFFICERS:

The aggregate direct remuneration paid to the directors and senior officers of the company was $158,780.

NOTE 13: COMMITMENTS AND CONTINGENT LIABILITIES:

(A) Projected expenditures on exploration and development on the Minto property during the 1974 season under the agreement with American Smelting and Refining Company amount to approximately $700,000 of which Silver Standard Mines Ltd. will be required to provide 50% thereof.

(B) The company's pension plan expense for the year included $23,615 for past service benefits with respect to senior officers. As at March 31, 1974, the company's unfunded obligations for these past service benefits amounted to $30,100. This amount has not been provided for in the accounts. Although the company may terminate or amend the pension plan at any time it is expected that the cost of these benefits will be charged to operations in future years.

NOTE 14: AGREEMENT WITH WILSON MINING CORPORATION LTD.

The company has an agreement with Wilson Mining Corporation Ltd. which grants that company options to purchase up to ten percent interest in any mining properties from the date any such properties are acquired, and terminating April 1, 1985.

SILVER STANDARD MINES LIMITED (Non-Personal Liability) Exhibit "A"

CONSOLIDATED STATEMENT OF DEFICIT
for the year ended March 31, 1974

	1974	1973
BALANCE — at beginning of year	**$ 167,576**	$ 104,137
ADD: Excess of expenditure over income for the year per exhibit "C"	**1,148,285**	63,439
BALANCE — at end of year	**1,315,861**	167,576
ADD: Capital deficit — balance at beginning and end of year	**525,929**	525,929
TOTAL DEFICIT — at end of year — to balance sheet	**$ 1,841,790**	**$ 693,505**

Exhibit "B"

CONSOLIDATED STATEMENT OF CONTRIBUTED SURPLUS
for the year ended March 31, 1974

	1974	1973
BALANCE — at beginning of year	**$ 1,931,302**	$ 1,597,969
ADD: Premium on shares issued	**960,000**	333,333
BALANCE — at end of year — to balance sheet	**$2,891,302**	**$ 1,931,302**

SILVER STANDARD MINES LIMITED (Non-Personal Liability) Exhibit "C"

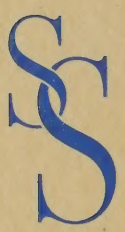
CONSOLIDATED OPERATING STATEMENT
for the year ended March 31, 1974

		1974	1973
INCOME:			
Management and engineering services		$ 160,175	$ 189,026
Interest — Jedway Iron Ore Ltd.		37,709	37,709
Equipment rental		8,608	8,707
Investment income		27,194	6,111
Sundry income		1,530	1,380
Royalties		1,608	
		236,824	242,933
DEDUCT: EXPENDITURES:			
Directors remuneration and benefits as executive officers		68,116	64,284
Salaries — engineering		87,872	84,432
Salaries — office		31,656	29,878
Employee benefits		16,288	17,242
Directors fees		10,700	10,000
Legal and audit		52,204	45,316
Travel and field expenses		6,692	5,276
General office		57,097	39,779
		330,625	296,207
EXCESS OF EXPENDITURES OVER INCOME FOR THE YEAR, BEFORE THE FOLLOWING CHARGES		93,801	53,274
Exploration and development written off			
Teck expenditures (Note 8)	$ 761,456		
Outside exploration (Note 9)	282,564		
		1,044,020	543
Depreciation — buildings and equipment		8,112	10,478
Profit on sale of equipment		(148)	(856)
Loss on sale of bonds		2,500	
		1,054,484	10,165
EXCESS OF EXPENDITURES OVER INCOME FOR THE YEAR to exhibit "A"		$ 1,148,285	$ 63,439
LOSS PER SHARE		$ 0.19	$ 0.01
LOSS PER SHARE — fully diluted		.09	

SILVER STANDARD MINES LIMITED (Non-Personal Liability) Exhibit "D"

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF WORKING CAPITAL for the year ended March 31, 1974

	1974	1973
WORKING CAPITAL — at beginning of year	**$ 75,142**	$ 294,666
ADD: SOURCE:		
Sale of development equipment	**1,825**	856
Proceeds — sale of shares	**911,250**	
Reduction in advances to subsidiaries	**4,573**	
	917,648	856
DEDUCT: APPLICATION:		
Operating loss before non-cash charges	**96,301**	53,274
Purchase of equipment	**8,446**	4,107
Outside exploration	**106,703**	99,162
Advances to subsidiaries		25,726
Deferred interest receivable	**38,110**	38,110
Investment — Table Mountain Mines Ltd. (N.P.L.) — shares	**14,923**	1
	264,483	220,380
INCREASE (DECREASE)	**653,165**	(219,524)
WORKING CAPITAL — at end of year	**$ 728,307**	$ 75,142



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